

Third World Calls for Debt Moratoria Against Rocky

July 27 (IPS)—Forty-five representatives from Asia, Africa, and Europe, and America who met in Algiers last month have already issued a resounding answer to Secretary of State Henry Kissinger's July 17 threat of "economic boycott" with a united call for a moratorium on Third World debt. Part of a series of post June 30 non-aligned conferences, the conference unanimously adopted the debt moratorium proposal put forward by the beleaguered head of the National Bank of Greece.

The report of the call in a New York based Greek weekly follows by less than a week the Geneva agreement of Third World and oil-producing nations on commodity price-stabilization to provide an interim of financial stability for bankrupt Third World countries. Despite State Department threats and tirades, the imposition of a moratorium on Third World debt to Rockefeller agencies, the World Bank and the International Monetary Fund, is now guaranteed to appear as a major point of discussion at the Lima conference of 77 non-aligned nations next month and at the crucial UN Special Session on Development in September.

The Algiers call for debt moratoria is a clear rejection of schemes for fascist reorganization of countries which default to Rockefeller, exemplified by the cannibalistic Club of Rome's one-year moratoria offer provided the victim pledges to institute population control (genocide), or the Big MAC (Municipal Assistance Corporation) which is now dismantling the city of New York.

In all discussions by Third World and non-aligned nations, the debt moratoria issue has been defined as the prerequisite for increased trade and industrialization, against the backdrop of an accelerating Soviet drive for peace and development. The Algiers conference unanimously adopted the Greek banker's proposal that the surplus

value of gold be used to finance developing nations and endorsed the call of the Algerian trade minister for the creation of an International Trade Organization within the United Nations.

No Way Out

The driving force behind the call for debt moratoria and the political break with the Dollar Empire it implies, is the looming threat of unabated social chaos and economic deterioration. In Greece this week, 200,000 construction workers opened up a mass strike movement against the austerity demands of the Greek government. Despite police repression, the strikes have not decreased in intensity.

In Argentina, the continuing strikes activity of Argentine workers last week reduced former president Isabelita Peron to the status of a depleted doll. Now both trade unionists and industrialists are making real the worst fears of New York bankers and calling for a debt moratoria. The Rosario branch of the formerly Peronist trade-union federation, the CGT, combined its attack on the Peron's corporatist "social pact" with a demand for a "broad and generous moratorium" and a reduced tax burden as the pre-condition to solving the economic crisis. The Buenos Aires branch of the Movement for Integration and Development (MID), representing key sectors of small and middle industrialists, echoed the CGT's call. The MID further demanded expanded credit availability, intensified industrialization, cheap and available energy, and modern transport facilities.

Bloc for Development

To break the constricting cord of dollar-denominated debt, such crisis-wrecked nations must rely on the political muscle offered only in the program of expanded economic integration with developing countries, backed by the credit resources of the Soviet Union. Leading up to the Lima conference next

month has been a flurry of diplomatic activity with precisely this intent. The 40-day trip of "anti-imperialist" Mexican president Luis Echeverria to Eurasian bloc countries, has been followed by Peruvian diplomatic deployment to the Soviet Union, Algeria, the Soviet bloc, and non-aligned nations. In India, the Peruvian Foreign Minister met with Indian Foreign Minister Chavan, the architect of India's pro-development policy, to discuss a coordinated approach to the conference of non-aligned nations.

Simultaneously, President of Guyana Arthur Chung was assured that India would help that country to build a steel plant in Georgetown. Such continuing efforts on the part of the Indian government in the last month's have been key to its survival. Figures released this month show fast-growing rate of Indian export to the Soviet bloc, African and Persian Gulf nations. Indian exports to Iraq, for instance, have tripled in the last nine months.

An IMF Offer

Rockefeller's policy is clear. This week the International Monetary Fund informed Sri Lanka that if it wanted Special Drawing Rights to finance this year's imports, it must devalue its rupees and triage rice consumption, according to Indian press reports. An official of the IMF informed IPS that indeed the Rockefeller agency was evaluating the credit status of Sri Lanka.

But when informed of the increasing drive for a debt moratorium by Third World countries like Sri Lanka, the official could only yelp, "What reports of a debt moratorium? Are you aware of what consequences that would have... Good God!" To ward off this catastrophic deflation of the mountains of Rockefeller paper, the official offers catastrophe to humanity: the rationing of rice in Sri Lanka, he admitted, would affect 99 per cent of the population.